



Murraygate Estate Company
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Friday 09:00 to 16:30

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www.hmrc.gov.uk

Date 27 October 2016
Our Ref OTT/N/16/04245/LC
Your Ref

Email optiontotaxnationalunit@hmrc.gsi.gov.uk

Dear Sir/Madam

**Acknowledgement of Option to Tax
VAT Registration Number: 251 9354 02**

I acknowledge your notification dated 10 October 2016 regarding your option to tax, under **paragraph 20, Schedule 10 of the VAT Act 1994**, on the following land/property:

Address of land/property

**1/3 Murraygate
Dundee
DD1 2EE**

Effective date of option

10 October 2016

This option to tax covers all principles outlined in Public Notice 742A – Opting to tax land and buildings – paragraph 2.4. Please note an option to tax on a building includes the land on which the building stands (see Public Notice 742A paragraph 2.1 for full details)
Please note the following points.

- If your interest is restricted to one floor then only this floor will be affected by it. However, should you later acquire an interest in another floor it too will be covered by this option.
- **Input tax:** if your option to tax is restricted or made ineffective, your entitlement to recover input tax could be severely affected.
- Your option to tax may not make taxable a grant of the land/property which is, or is expected to become, a capital item as per **Regulations 112 to 116 of the VAT Regulations 1995**.

- If either you, a person funding your acquisition of the land/property, or a person connected to either of you intends to or expects to occupy the land/property for anything other than mainly taxable business purposes, you should be aware of **paragraphs 12 to 16 and 34, Schedule 10 of the VAT Act 1994**, which may disapply your option to tax.
- Your option to tax will not have an effect on all land/property, for example, property intended for use as a dwelling or for relevant residential or charitable purposes. Please refer to Public Notice 742A, Section 3 for further details.
- **Regulation 31(1) of the Value Added Tax Act Regulations 1995** stipulates that all VAT registered persons are required to keep pertinent business records for a period of 6 years. However, as options to tax are valid for at least 20 years, as per **paragraph 25, Schedule 10 of the VAT Act 1994**, we recommend that all records pertaining to an election should be retained for no less than 20 years from the effective date given.

If you have any general queries relating to option to tax please refer to VAT Notice 742A a copy of which can be viewed on our web site: www.hmrc.gov.uk or alternatively you can call the VAT Advice Line on Tel 0300 200 3700.

Yours faithfully



Lesley Coyle
Assistant Officer of HM Revenue & Customs

NOTE:

If the same correspondence is submitted to the Option to Tax Unit in more than one format i.e. post, email, fax then this duplication has a negative impact on our response time. In order that we can deal with all correspondence as quickly as possible, we ask that you please send only **one** copy of your request to the Unit.